

PASCOAG UTILITY DISTRICT - BOARD OF UTILITY COMMISSIONERS

MEETING MINUTES

The regular meeting of the Pascoag Utility District Board of Utility Commissioners will be held on Monday, October 25, 2010 at 6:00 pm in the District office, Pascoag 253 Pascoag Main Street, Pascoag, RI.

Members Present: Chairman Albert Palmisciano, Vice-Chair Ann Polacek, Commissioners Thomas Partridge, and Brian Choiniere

Members Absent: Dennis Whitman and Adrien Trudeau

Also in Attendance: Judith Allaire, Assistant General Manager; William Guertin, Assistant General Manager and William Bernstein, General Counsel

Chairman Palmisciano opened the meeting at 6:00 pm.

Minutes

- 1. Pledge of Allegiance**
- 2. Public Comment**
- 3. Committee Comments**

Finance Subcommittee- Mr. Palmisciano stated that the Finance Subcommittee had met and voted to approve and make a recommendation to the full Board to approve both budgets for 2011.

4. Good and Welfare of the District

A. Docket No. 1725

For the period ending August 31, 2010, Pascoag Utility District disconnected 29 residential standard customers and no residential protected status customers. The average monthly balance was \$205.12 for those that were terminated in the month of August. Pascoag Utility District sent a total of 833 disconnection notices for the period ending August 31, 2010. There were 19 agreements that were broken during this time. There was one customer who was terminated for nonpayment with a balance on their account of \$2,634.39. They were financial hardship during the moratorium and make no payments during the winter months. This customer has moved without notice.

Ms. Allaire stated that ARRA funds were made available in September to financial hardship customers. Ms. Round called as many financial hardship customers as possible to notify them of the availability of funds. Pascoag's financial hardship customers received collectively \$10,000 to pay their electric bills due to these ARRA funds.

Motion to receive and file made by Mr. Choiniere, seconded by Mr. Partridge. The vote in favor was unanimous.

B. 2011 NPCC Audit

Mr. Guertin stated that Pascoag is scheduled for an offsite NPCC audit January 17th. The last onsite audit was conducted in 2009.

C. Peak Sales

Ms. Allaire stated that Pascoag hit a new peak in July. The last peak was hit in July 2008 of 12.1 MW. In July of 2010, Pascoag hit a peak of

12.4 MW. Pascoag has experienced extremely high sales this year.

D. 4th Annual Green Festival

Mr. Garille reported that Pascoag had 42 green vendors and over 400 people attended. The event was a success with many positive comments from customers. Pascoag raised over \$500.00 for the Good Neighbor Energy Fund.

5. Approval of Minutes

- Regular BUC Meeting-July 26, 2010**
- Regular BUC Meeting- August 23, 2010**

Mr. Partridge made a motion to approve as submitted, seconded by Mr. Choiniere. The vote in favor was unanimous.

6. Unfinished Business

10-23 NIMO Litigation

Mr. Garille stated that Pascoag had contracted with Attorney John Coyle because this was an interstate issue. Pascoag's position was upheld/agreed by NIMO. It was resolved in our favor.

09-24 L'Energia

Mr. Garille stated that L'Energia is moving forward pretty quickly. Energy New England would be a co-owner. Pascoag would be a co-op owner. It's a 75 MW plant.

7. New Business

10-26 Action Item: Approval of 2011 Electric Budget

Mr. Palmisciano stated that the Finance Subcommittee did meet and made a recommendation to the full Board to approve the Electric budget. The budget for this year has been reduced. Long term debt is gone.

Mr. Partridge made a motion to approve the 2011 Electric budget, Mr. Choiniere seconded it. The vote in favor was unanimous.

10-27 Action Item: Approval of 2011 Water Budget

Mr. Palmisciano stated that the Finance Subcommittee did meet and made a recommendation to the full Board to approve the Water budget. The budget for this year has been reduced by almost \$50,000 or 6%.

Mr. Choiniere made a motion to approve the 2011 Water Budget, seconded by Mr. Partridge. The vote in favor was unanimous.

Mr. Garille thanked the Board for approving the 2011 Budgets that included salary increases for the District employees and recognizing the efforts of the staff.

10-28 Action Item: Cogeneration

Mr. Garille stated that the Town of Burrillville and the Pascoag Utility District have been working together for the past year and a half on what could be done with energy and the water falls. When Mr. Garille spoke in front of the Town of Burrillville he did so as an individual and not as the General Manager of Pascoag. Mr. Garille felt the cost of the project was too high.

Mr. Garille suggested the Town consider a new approach-to make the plant a co-generation plant. That would mean that the Town would generate electricity and Pascoag would buy it from them. The Board needs to decide if they would like to go ahead with this project, and management would need to draft a tariff to address this.

Mr. Partridge made a motion to not participate in this project, seconded by Mr. Choiniere. The vote in favor was 2 for the project, 2

against the project. Ms. Polacek made a motion to table the project, seconded by Mr. Palmisicano. Two in favor and two opposed. No action was taken.

10-29 Discussion/Action Item: Number of Board Members

Ms. Polacek made a motion to table this item, seconded by Mr. Palmisciano. The vote in favor was two in favor and two opposed. Mr. Choiniere and Ms. Polacek wanted to discuss this item. Mr. Choiniere stated that he does not believe he will run for election this year but not to base a decision on that.

Mr. Palmisciano made a motion to withdraw his second. Mr. Choiniere made a motion to reduce the size of the Board to five by attrition, seconded by Mr. Partridge. The vote in favor was unanimous.

8. Financial Reports

A. Electric Department- June 2010

B. Water Department- June 2010

Mr. Partridge made a motion to approve the electric and water reports, seconded by Mr. Choiniere. The vote in favor was unanimous.

9. Executive Session

To go into Executive Session for the purpose of discussing litigation pursuant to R.I.G.L. 42-46-5(a)(2). The minutes of said meeting shall remain confidential for as long as necessary pursuant to RIGL 42-46-5, until a majority of the Board shall vote to open said minutes as provided for and subject to the open meeting law.

Mr. Partridge made a motion to go into Executive Session; seconded by Mr. Choiniere. The vote in favor was unanimous. The Board

entered Executive Session at 6:56 PM.

Mr. Choiniere made a motion to seal the minutes, seconded by Mr. Partridge. The vote in favor was unanimous.

Ms. Polacek made a motion to authorize the Chairman to sign the memorandum, seconded by Mr. Partridge. The vote in favor was unanimous.

10. Adjournment

Mr. Choiniere made a motion to adjourn, seconded by Mr. Partridge. The vote in favor was unanimous. The meeting was adjourned at 7:27 PM.

Brian Choiniere, Secretary
Board of Utility Commissioners

Desarae Downs, Recording Secretary